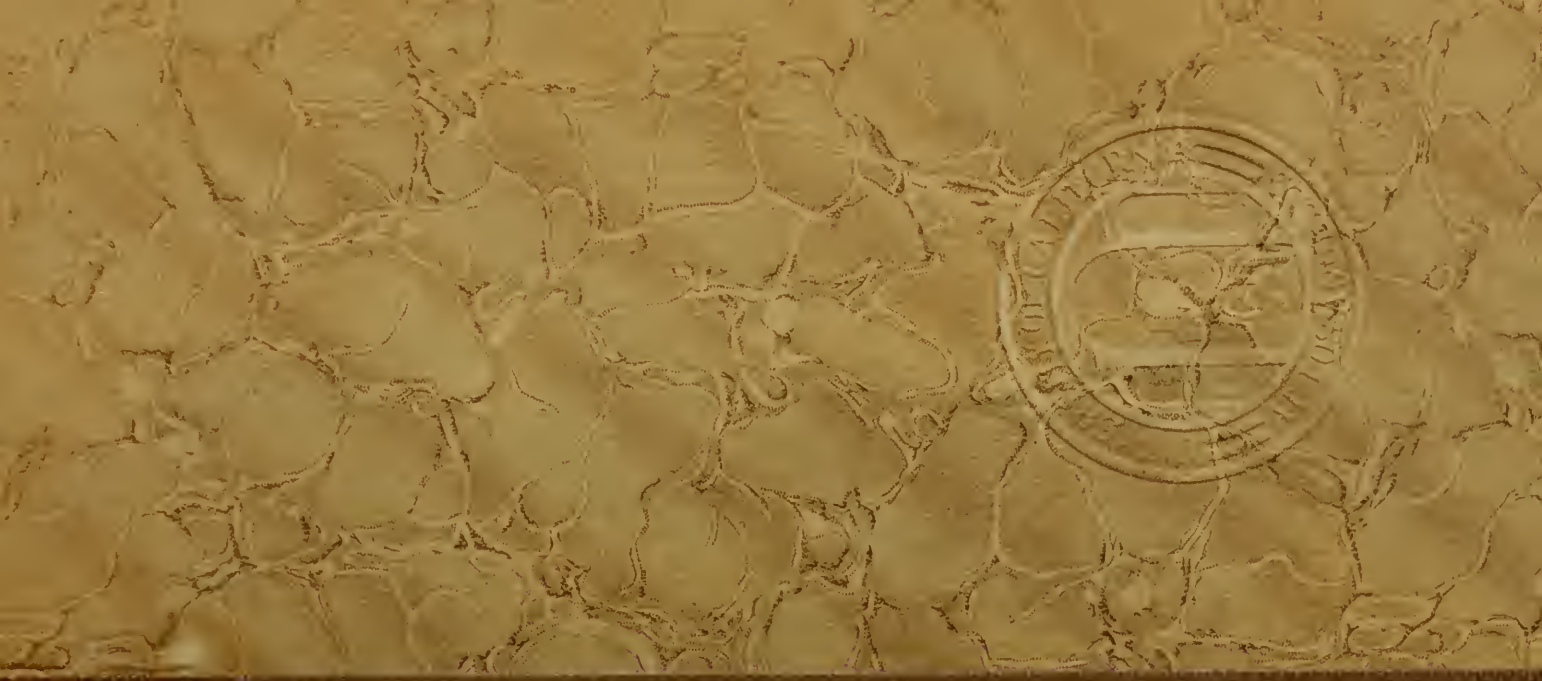

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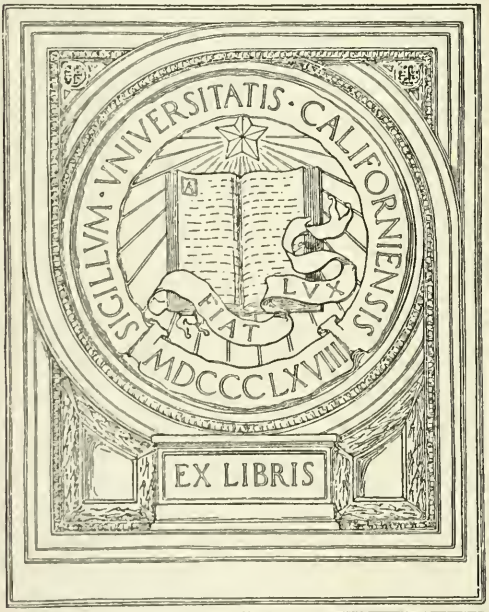

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DECEMBER, 1916.]

THE

Surveyors' Institution

(INCORPORATED BY ROYAL CHARTER),

12, GREAT GEORGE STREET, WESTMINSTER.

UNEMPLOYMENT AFTER THE WAR.

HOUSING EMERGENCY SCHEMES.

Report of a Special Committee of the Council of The Institution.

PART I.—URBAN.

LONDON:

PUBLISHED AT THE INSTITUTION,

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The Surveyors' Institution.

UNEMPLOYMENT AFTER THE WAR.

Housing Emergency Schemes.

Report of a Special Committee to the Council of The Institution.

SIRS,

By Council Minute of the 21st February, 1916, a Committee was set up to consider the problems likely to arise at the termination of the war, more particularly in connection with possible unemployment on the disbandment of the army and munition workers; and, dealing with the questions in the light of the special knowledge possessed by surveyors, as distinct from other professional men or from representatives of trade and industry, to suggest preventive or curative schemes.

The subject of the reference appeared to divide itself naturally under two principal heads—Urban and Rural—and the Committee was separated into two divisions accordingly. Messrs. Theodore Chambers, F. E. Eiloart, Frank Hunt, B. Marr Johnson, Richard G. G. Reed, C. F. Slater, Sydney A. Smith, H. M. Stanley, and Dendy Watney, under the chairmanship of Mr. E. W. Rushworth, dealing more particularly with urban conditions; and Messrs. J. E. Bidwell, G. Turville Brown, A. J. Burrows, H. M. Cobb, M. C. Duchesne, C. B. Fisher,

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C. P. Hall, Edwin Savill, J. A. Trumper, P. F. Tuckett, and Leslie S. Wood, with Mr. J. H. Oakley as chairman, undertaking the rural side.

For convenience of reference it is proposed to divide the Report under the two main heads indicated, but it is obvious that some questions cannot be exactly divided by a sharp line between town and country, although each of these areas may present some problems peculiar to itself. In making this division the Urban Report may be taken to cover all districts, even though not corporate boroughs or urban districts, where the population is large and the conditions industrial rather than agricultural; the Rural Report,* on the other hand, deals with districts where the conditions are agricultural even though included within the area of an urban district or borough.

These Reports will be found to differ in one important point. The Urban Report deals exclusively with the steps which should be taken to meet the possibility of a period of acute unemployment after the war, and recommends the preparation of schemes for that purpose. The Committee wish to state that the suggestions for the organisation of these schemes are put forward solely with the object of meeting a definite and immediate emergency, and that they would not, in their opinion, be justified under ordinary conditions.

Those responsible for dealing with the question from the rural point of view were at once faced by the difficulty that agriculture, the principal industry within the scope of their reference, does not lend itself to emergency measures. They, therefore, turned their attention to making recommendations which would have the effect of securing prosperity to agriculture and result in more

* Issued separately from the Urban Report.

persons being employed therein rather than to drawing up schemes to meet the immediate emergency of unemployment.

Part I.—URBAN.*

The Committee at the outset decided that the terms of their reference did not require them to consider whether or not there was likely to be a period of acute unemployment at the termination of hostilities. They therefore proceeded with their deliberations with the intention that their recommendations should be capable of being made operative in the circumstances of unemployment, on the understanding that if there were no distress there would be no commitment to schemes creating a deviation from the normal.

The question of resources or the capital likely to be available at the close of the war, however, did require and receive consideration, although the general subject of the condition of national finance was outside the reference. The financial situation affects most intimately the work of surveyors, and the decisions of the Committee have naturally been influenced by financial considerations. The absorption of capital in the prosecution of the war, and the demands upon it which may be expected to arise in connection with commerce directly afterwards, will, it may reasonably be anticipated, cause the rate of interest to remain at a high level for some years. Moreover, the range of investments bringing in high though non-speculative returns without entailing either anxiety or trouble to the investors have been considerably increased, and are proving very attractive. It is difficult to see, therefore, how the stream of private capital can be, immediately on the termination of war, turned back

* Note.—Part II. (Rural) is issued separately.

into courses which have for various reasons become unremunerative.

The Committee were asked to report as to what schemes, if any, could be recommended for adoption in populous districts for the purpose of providing work in the event of conditions of exceptional unemployment arising at the end of the war. In considering the matter the following main principles were accepted :—

(1) That the expenditure in respect of labour should form a considerable proportion of the total outlay ;

(2) That the work when completed should meet a well-recognised public need, and should partake as little as possible of the nature of unproductive relief works ;

(3) That the scheme should be capable of being definitely organised beforehand, and should be at once prepared ready to be put into operation immediately on the emergency arising ;

(4) That the scheme should be so far as possible self-supporting.

The Committee were, however, of opinion that the principle laid down in (4) should not be too strictly interpreted in that it might prove more economical to find suitable productive work on which disbanded soldiers could be employed than to undertake the great cost of maintenance, separation allowances, &c., which would be entailed by keeping them with the Colours.

Looking at the question from the special point of view of the surveyor, three principal methods for providing employment suggest themselves :—

(A) By schemes for the erection of new buildings ;

(B) By improvement schemes, the clearance of slum areas and construction of arterial roads; and

(C) By carrying out building operations, repairs, maintenance of roads and highways, &c., suspended during the war.

(A.)—Schemes for the Erection of New Buildings.

Of the openings for labour indicated in the last paragraph the first named would, in the opinion of the Committee, offer the greatest opportunity.

Proportion of Expenditure on Building payable for Labour.

The Committee had before them the result of a detailed inquiry into the probable payment in respect of the labour, direct and indirect, employed in the erection of small houses. There are certain items, such, for example, as painting and ironmongery, of which it would be impossible to ascertain the actual cost of the raw material without a disproportionate amount of investigation, but a sufficiently accurate estimate can be arrived at for the purposes of a calculation which does not pretend to be anything but approximate. The conclusion at which the Committee arrived was that, although only about one-third of the cost during erection was spent directly on labour, it should not be overlooked that a part of the cost of all materials, bricks, slates, woodwork, &c., used in building is attributable to the labour expended upon them, and an effort was made to form a rough estimate of this. As a result the Committee have come to the conclusion that the proportion spent on labour would practically be doubled were

the labour expended upon the preparation of the materials taken into consideration.

This result was confirmed by an analysis of the cost accounts of an undertaking in connection with new building works approaching 2½ millions sterling, where the labour on high-class work carried out under strict trades union conditions amounted to about 40 per cent. Further support will be found in the Final Report on the Census of Production of the United Kingdom, 1907, which deals, *inter alia*, with the building and allied trades. A careful analysis of the figures there given, based on a gross output of nearly 88 millions sterling, corroborates, approximately, the above estimate as to the proportion of the cost of building expended on labour.

It would, therefore, appear that for every £1,000 expended in the erection of buildings, approximately £330 would go directly into the pockets of the men actually engaged in the building operations, while a similar sum would be circulated among those engaged in brick-making, iron-casting, conversion of timber, and the preparation of other building materials, the demand for which would be proportionately stimulated. In other words, such an expenditure would provide 444 men with a week's employment at 30*s*. a week, or 10 men for the greater part of the year. The rate of 30*s*. is taken as a purely empirical figure. Workmen engaged in the building trades would, if working full time, earn more than this; but taking this figure as representing a minimum, this would give some indication, although crude, of the order of the problem if it were found necessary so to organise the work as to take the form of relief works.

Number of Persons engaged in Building Operations.

The actual number of persons in Great Britain recorded in the Census of 1911 as engaged in building and works of construction was 1,036,250, showing the building trade to be one of the seven principal industries of the country. It may therefore be accepted that in the event of a period of acute distress a considerable proportion of those needing work would already have experience in building, and that by employing them many others without previous acquaintance with this particular form of work might be usefully employed.

The Committee have already referred to the indirect effect of activity in building upon other trades, and it is worthy of note that in Great Britain nearly 100,000 persons were engaged in 1911 in stone and slate quarries, lime burning, &c.; over 300,000 in the conversion of wood, and the manufacture of furniture, fittings, and decorations; and over 66,000 in connection with the manufacture of bricks and cement. These, and other trades, such as iron-casting, the manufacture of electrical fittings, &c., would receive a stimulus were any large amount of additional building put in hand.

It is probable that no trade has suffered greater disturbance than building on account of the war, the first effect of which was to cause all works of construction not actually essential to be shut down, and to reduce to a minimum expenditure on repairs and decoration. Schemes for building works would, in addition to providing work for the unemployed, afford valuable help in restoring prosperity to this important industry.

The Shortage of Housing Accommodation for the Working Classes.

Having arrived at the conclusion that schemes for building works would provide, for the expenditure made, the largest amount of employment of labour, the Committee had to consider upon what class of work it would be possible to engage without interfering more than was necessary with the works of the ordinary economic laws. It will be obvious to surveyors that the provision of houses, principally for persons of the working class, would most clearly satisfy the requirement. The building of shops, factories, and premises other than houses depends upon many complicated operations such as the nature of the trade activities and prosperity of the districts concerned. In one direction, however, taking the kingdom as a whole, there is substantially the same demand, although in varying intensity, viz., for houses for persons of the working class. The Committee accordingly directed their attention to the necessity for further provision, although that there was a shortage was a matter of common knowledge.

No official figures are available up to date showing directly the number of houses in existence and the number required to meet the needs of the growing population in different local government districts, but it appears to be generally acknowledged that a shortage exists in most of the large centres of population, as well as in many rural districts. This view is corroborated by the sixth volume of the Report on the Census of 1911, in which it is definitely stated (pp. x. and xi.) that "Speaking generally the number of uninhabited houses "was less in proportion to the number of inhabited

" houses at the Census of 1911 than it had been at any " of the four preceding censuses; and the proportion of " houses being built was very much less than it had " been at any previous census."

Since then the position has been steadily growing worse, if the number of houses shown as exempt from inhabited house duty in the Annual Reports of the Inland Revenue Commissioners may be used for the purpose of estimating the number of new houses erected each year.

The need for further houses arises from several causes, the most obvious being, of course, the increase in the population, which in Great Britain amounted to 3,834,768 between 1901 and 1911. This gives an annual increase of over 380,000 for each of the 10 years, requiring each year an addition of 76,000 to the total number of houses if the average number of persons to an inhabited building (5·05 in 1911) is not to be increased and existing overcrowding to be intensified. It should not be forgotten, too, that the average of 5·05 persons per house is obtained from a calculation embracing all houses, large and small, and that if only those exempt from the payment of inhabited house duty, *i.e.*, working-class dwellings, were taken into consideration the average number of persons per house would necessarily be considerably reduced. This view is borne out by the figures for the first eight years of the decade before the war, 1904-5 to 1913-14, when the average annual increase in the number of houses exempt from the payment of inhabited house duty was 94,694. During the years 1912-13 and 1913-14 (the latest for which figures are available) the yearly increment, however, dropped to 62,349, and even this total must since have been largely reduced during

the two years of war, in spite of the fact that the totals for the years 1914-15 and 1915-16 will be augmented by the buildings which have been put up in certain munitions areas to meet special needs.

A secondary cause would be the result of the raising of the standard resulting from the knowledge that overcrowding is not in the national interest. In England and Wales of the 15½ million persons living in tenements of one to four rooms, more than 2,800,000, or over 18 per cent., are living under conditions considered to represent overcrowding. This state, however, is being remedied gradually as the standard of living is raised and the powers of the various Health and Housing Acts are put in force. As an indication of this tendency, the percentage has declined during the three censal periods; in 1891 it was nearly 25 per cent., in 1901 just over 20 per cent., and in 1911 18·2. The slackening of the tendency, while still 2,800,000 remained in the overcrowded conditions, rather emphasises the need of more housing accommodation. The same tendency can be evidenced by other figures as to the change in the distribution of the population among the various sized tenements in the group.

Another fruitful cause necessitating the provision of more houses is the wearing out of many of the existing houses, the industrialising of many hitherto residential districts, and the demolition of property for public and public utility purposes. Under the heading of old age alone it has been estimated that there should be provided each year for some years to come at least 50,000 new houses to replace old and inadequate houses which are not up to modern standards of sanitation and comfort, and which might properly be pulled down.

The Committee are not called upon by the terms of

their reference to examine in detail the position with regard to the provision of houses for the working classes in this country, and the above figures are merely given to show that while housing schemes would be peculiarly well fitted to combat after-war unemployment, in that they would provide work on which a large number of persons could be suitably and profitably employed, they would also do something to supply a want which has long been felt and is now tending to become acute.

On these grounds the Committee consider that the provision of houses would comply with the second principle laid down at the opening part of Part I. of the Report, viz., that the work, when completed, should meet a well-recognised public need.

Sources of Supply.

The third principle accepted by the Committee was that these emergency schemes should be capable of being definitely organised beforehand, and should be at once prepared ready to be put into operation immediately on the occasion arising. The application of this principle to housing schemes was discussed at length, as the opinion was unanimously held that in the future, as in the past, the provision of houses would best be left to private enterprise, provided that that source of supply did not fail. That source already possesses the necessary organisation, and it is well known that through its means houses can be built more cheaply and expeditiously than by any other. If the supply of houses and other buildings is hindered or withheld, the rents of all existing buildings must rise as the demand overtakes the supply until the prospective return on the capital in-

vested reaches a sufficiently high level to attract it. On the other hand this operation cannot be effected without a return to those evils which the housing policy of the past thirty years has been endeavouring to destroy. Moreover, the operation of the Increase of Rents, &c. (Restriction) Act, 1915, prevents during the war the free play of the laws of supply and demand in respect of small houses; and it would not be until after the termination of the war, when the Act ceases to operate, that it would be possible to see the effect of an uncontrolled market in rents. This would be too late a period to which to postpone consideration of the course to be taken.

The Local Government Board in their Report for 1914-15 state "that it may be safely asserted that of the "5,652,096 dwelling-houses shown in the Report of the "Commissioners of Inland Revenue, 1913-14, exempt "from inhabited house duty, not more than about 20,000 "had been erected by local authorities under Part III. "of the Act of 1890." This would indicate only about one-third per cent. provided by public authorities.

During the past ten years the average increase in the number of dwelling-houses in Great Britain under £20 rental value has been 88,000. Statistics are not available to show the number condemned or for other reasons withdrawn, but if these are taken as approximately 12,000 it would indicate that an average of about 100,000 new houses of this class has been supplied yearly during the decade. In the years 1911, 1912, and 1913 the number of houses for the erection of which loans to local authorities were sanctioned by the Local Government Board amounted to 5,728, a yearly average of 1910; and during the same three years £657,390 was advanced to public utility societies

for a similar purpose. Taking the cost at £200 per house this would equal 3,285 houses, or an average of 1,095 per annum.

From these figures it would seem that about 96 per cent. of the working-class houses erected of late have been provided by private enterprise, and the Committee recognise the many objections which exist to the permanent adoption of a policy which might have an adverse influence upon a system under which so large a proportion of the housing accommodation has been supplied. But in spite of the growth of the population, the number supplied by this agency has tended to decrease, a symptom which has been accentuated during the war, doubtless owing to the increased cost of labour, material, and capital. If, therefore, private enterprise were to be depended upon to take its part in the emergency contemplated, it is clear that very powerful inducements would have to be offered to counterbalance these adverse influences. It must be borne in mind that the greater part of the work of supplying working-class dwellings has fallen upon the small builder, who possesses but little capital, and who is usually dependent upon a solicitor or some other agency to finance him. He builds to sell, not to let, and is prepared as a rule to take a very small profit, often obtained by the sale of an improved ground rent, and not a percentage on the cost of the building. It is possible that the decrease of late noticeable in the number of houses built may have been mainly due to the difficulty these men have experienced in obtaining the capital to carry on their operations, and that if money were made available they would be ready to continue what, it must be remembered, is their usual business, and therefore the one which they would presumably wish to follow if circumstances per-

mitted. On the other hand, although they would be meeting a public want, it is unlikely that public money would be provided for them except under somewhat stringent conditions as to the class of buildings erected, and possibly as to the profit permitted.

While the Committee are of opinion that in order, after the war, to encourage building and to meet the housing deficiency something might be done to stimulate private as well as public enterprise on the lines of the Treasury proposals for advances to local authorities and public utility societies under the Housing (No. 2) Act, 1914,* they have regretfully come to the conclusion that schemes to be carried out by private persons would be too uncertain to be depended upon to meet the emergency which they have in view. It would not be possible to foresee with any accuracy the result of such special inducements on private enterprise, nor would it be practicable through

* The following are the terms upon which the Treasury were prepared to make advances for schemes approved by them on the recommendation of the Local Government Board or the Board of Agriculture and Fisheries:—

"LOCAL AUTHORITIES.—Ten per cent. of the approved capital cost "by way of free grant; the remaining 90 per cent. by way of "loan with interest at 4¼ per cent. per annum, to be repaid by "equal annual instalments of interest and principal combined "within the period usually authorised for the works of the "nature of those for which the loan is required. On a sixty "years' loan the authority will thus pay for each £100 of "approved capital cost an annuity of £4 3*s.* 4*d.*

"AUTHORISED SOCIETIES.—Advances will be up to a maximum of "nine-tenths of the total approved capital expenditure. Such "advance will consist of (1) a free grant of 10 per cent., and (2) "a loan of 80 per cent. of such expenditure; the loan to be re-"payable by annuity (interest and sinking fund combined). If "the loan is advanced for sixty years the annuity would be at "the rate of 5 per cent. per annum, that is to say, for each £100 "advanced by the Treasury the society will pay an annuity not "exceeding £4 8*s.* 10*d.*"

that agency to arrange beforehand for definite building operations at once to be commenced on unemployment becoming acute. Indeed, the Committee have arrived at the conclusion that in existing circumstances the erection of dwellings for the working classes could not be undertaken without capital loss in the event of realisation, and that this alone would preclude the possibility of attracting private capital, except by the provision of such inducements as no Government would be likely to offer to individuals.

This statement would perhaps appear to conflict with the fourth principle accepted by the Committee, in the early part of this Report, viz., that the schemes should so far as possible be self-supporting. But it will be remembered that this principle was, to some extent, qualified by the paragraph which followed, and the Committee are of opinion that in the event of local authorities being called upon to carry out emergency housing schemes, they should not be put to any financial loss in the matter; that, so far as the local authorities are concerned, the schemes should be self-supporting, and that any adverse balance should be borne out of the national exchequer as the contribution of the Government, which would be relieved from the necessity of keeping men with the Colours. In the case of public authorities the danger of the capital loss referred to in the previous paragraph would not apply, as they would have no necessity to realise, and the loss would only be felt on the houses being placed upon the market.

The Government would also profit by anything which would reduce their liability under the National Insurance Act, 1911, in respect of unemployment benefit. The benefit provided is an allowance at the rate of 7*s.* a week for each week of unemployment after the first, up

to a maximum of fifteen weeks in any twelve months It is noticeable that out of 2½ million unemployment books issued under the insurance scheme up to July, 1913, over a million were in respect of persons engaged in building. Since then the National Insurance (Part II.) Act, 1916, extends the unemployment benefit of the 1911 Act to persons engaged on munition work and certain other specified trades, including—

(A) The manufacture of bricks, cement, and artificial stone, and other artificial building materials; and

(B) Saw milling, including machine woodwork and the manufacture of wooden cases.

According to the estimate of the Parliamentary Secretary to the Board of Trade the new measure will result in an additional 1½ million persons coming within this part of the Insurance Act. It is, therefore, clearly to the financial as well as to the ethical advantage of the nation that unemployment should be kept within the lowest practicable limits.

In any case the obligation to provide houses in the event of the failure of ordinary sources is a national rather than a local one, and any financial burden which might be caused through the acceptance of the obligation should therefore mainly be borne by the national purse.

On the other hand, the larger local authorities are more fitted than Government departments to prepare and carry through housing schemes. They already possess the knowledge of what is required, and most of them have the organisation and technical staff necessary for planning and supervising the work. Advantage should be taken of this, and wide powers should be

given to local authorities to draw up and carry through housing schemes. The Committee attach great importance to decentralisation so far as the details of planning and construction are concerned. They are of opinion that if the responsibility for these is left with the local authority promoting the scheme, much time would be saved in putting it into operation on the need arising, while sufficient elasticity would be provided to enable every advantage to be taken of local methods and materials with an accompanying economy in the cost of erection.

In view of the part taken by private enterprise in the past in providing housing accommodation for the working classes, the Committee would have preferred to put forward proposals in connection with these emergency schemes which would have had the effect of encouraging the supply from that important source; but influenced by the difficulties already referred to, and also very largely by the necessity for suggesting an agency capable of preparing beforehand definite schemes ready to be put into operation immediately on the need arising, they have been regretfully compelled to abandon that idea, and have come to the conclusion that it can only be in the direction of public authorities undertaking responsibility for the housing schemes needed to meet the anticipated unemployment that a solution of the problem can successfully be sought.

Recommendations.

They put forward the following suggestions as a broad outline of the scheme which they would recommend :—

1. That in view of—

(A) The need of being prepared for a possible period of acute unemployment after the termination of the war;

(B) The admitted shortage of working-class dwellings; and

(C) The practical impossibility in existing circumstances of attracting private capital to that form of investment,

the Government should request the councils of counties and county boroughs to arrange beforehand for the preparation of schemes for providing houses for the working classes with approximate estimates of cost, to be put into operation at once on unemployment being found to exist.

2. That in connection with the preparation of such schemes the councils of counties and county boroughs should be desired to ascertain without delay the areas within their districts where shortage of houses is most marked.

3. That, with the information so available, the Government should, without waiting for the occasion to arise, determine the extent and, generally, the disposition of the accommodation which might properly be provided in the event of employment having to be found, without the detailed inquiry and investigation adopted in normal times in connection with such matters. Schemes might thus be provisionally approved, to be put wholly or partially into force immediately on the necessity arising.

4. That the incidence of the cost of providing houses to meet the anticipated emergency should be recognised as of a national rather than a local character. The national exchequer would benefit by not having to keep

men longer with the Colours than military exigencies required, and at the same time something would be done to promote the health, comfort, and efficiency of a large class of the population.

5. That terms not less favourable than those on which the Treasury were prepared to advance money under the Housing (No. 2) Act, 1914, should be adopted as the financial basis of the scheme.* The period of advance to be not less than sixty years.

6. That in the preparation of a housing scheme to meet unemployment, full consideration should be given to any proposals for town planning in respect of which permission to prepare a town planning scheme has been given under the Housing, Town Planning, &c., Act, 1909; but the fact that the details of a town planning scheme in process of preparation have not been definitely settled should not be permitted to prevent the erection of houses under a scheme for the relief of unemployment.

7. That the following directions for the preparation of schemes should be laid down:—

(A) Local authorities should co-operate as far as possible with other local authorities and with authorised societies;

(B) The rents to be charged for housing accommodation provided under schemes for the relief of unemployment should be not less than those ruling in the neighbourhood for similar accommodation;

(C) In the design and erection of dwellings to be provided under these schemes the standard of accommodation and work should not be in

* See footnote, page 14.

excess of the requirements of the local by-laws; and

(d) Where advances are made to other local authorities or to authorised societies, the responsibility for seeing that the standard of accommodation and work is sufficient should rest with the local authority responsible for the preparation of the scheme.

The Acquisition of the Land required for Emergency Housing Schemes.

The success of the above proposals would depend to a considerable extent upon the ability of the authorities concerned to obtain the necessary land expeditiously and without undue cost. The Committee, therefore, gave special consideration to this question, and in view of the fact that their proposals are made for the purpose of meeting a particular national emergency, and must not be looked upon as generally applicable to cases where land is to be acquired for public purposes, they feel justified in putting forward the following suggestions as possessing the merits of simplicity, expedition, and economy.

The possibility of employing in some manner the valuations under the Finance (1909-10) Act, 1910, was not lost sight of, but such a suggestion was found to be quite impracticable. The Committee need, perhaps, mention only one of the reasons which influenced them in arriving at this decision. In a large number of cases the valuations have been allowed to settle themselves by default, the owners not having understood the importance of the matter at issue and having therefore failed to put in any objection within the stipulated time. These

valuations have often been made without a knowledge of material facts, such as the existence of restrictions, easements, &c., which would necessarily have exercised an important influence upon them; and although they have through lapse of time and the wording of the statute become the basis of value for a particular purpose, they could not be accepted as a reliable or fair measure of value for purposes of acquisition.

The proposals of the Committee for this purpose may be conveniently divided under three main headings:—

1.—*Selection of Land.*

Advisers of local authorities responsible for the preparation of schemes should be able at once to ascertain particulars as to the extent, boundaries, ownership, tenancies, and restrictions affecting any suitable land. Information on these points in the possession of the Commissioners of Inland Revenue should be placed at the disposal of the advisers to the local authorities in order to guide them in the selection of sites to be recommended for the purpose.

2.—*Procedure.*

(A) The Government having decided, under paragraph 3 of the scheme, the extent and generally the disposition of the accommodation which might properly be provided, the local authority concerned, with a knowledge of the suitable land in their district obtained as indicated above, should endeavour to negotiate terms for possession in the case of need and price in the event of the land being taken.

(B) In the event of these negotiations failing, the local authority responsible for the preparation of the scheme on the need arising should pass a resolution that

certain lands are required for the purpose of the scheme. Within a limited period of, say, four weeks from the date of such resolution, they should give notice to persons interested in the selected sites. Within a further limited period of, say, four weeks after the service of the notice, the legal estate of the site in question should vest in the local authority, who would be entitled to possession. Rents, covenants, and obligations, where they affect not only the land to be taken, but also other lands not taken, should be apportioned by operation of law on the vesting of the legal estate, any differences of amount to be determined by the tribunal appointed to settle the price.

3.—*Ascertainment of Price.*

(A) Machinery.

The simplest and perhaps the most efficient tribunal would be an able practical surveyor sitting as single arbitrator to be agreed between the parties if possible, or failing agreement, appointed by the President for the time being of The Surveyors' Institution.

The arbitrator should, so far as practicable, in assessing compensation act on his own knowledge and experience; but should an inquiry prove necessary or desirable, the person holding the inquiry or arbitration should hear any authorities or parties authorised to appear by themselves or through their agents, and should hear witnesses, but not more than one counsel and expert witness on either side unless, on application, the arbitrator should decide that the circumstances of the case would justify more.

(B) Basis of Value.

1. The value of the land should be taken to be the

value it would have had in the open market at the date of the notice if it had remained in the condition in which it was at the commencement of the present war, without taking into consideration any appreciation or depreciation in value directly or indirectly due to works carried out in connection with the war, but allowing for any enhancement of value due to the natural ripening of the land itself or to any expenditure by the owner prior to the date when the fact that the local authority were considering the scheme for the erection of the houses on the land in question became public knowledge.

2. In determining the price payable to any person for his interest in the land taken, the arbitrator should have regard to the extent to which the value of any neighbouring property in which the same person is interested is likely to be appreciated or depreciated through works carried out on the land taken under the scheme.

3. In settling the sum payable in respect of any interest, the arbitrator should not award any compensation in respect of improvements or other works carried out after the first day when the fact that the local authority were considering the scheme for the erection of houses on the land in question became public knowledge, if in his opinion the improvement was not reasonably necessary, or was made with a view to obtaining an increased price.

(c) Costs.

The arbitrator should determine the amount of costs, and should have power to disallow as costs in the arbitration the cost of any witness whom he considered to have been called unnecessarily, and any

other costs which he considered to have been caused or incurred unnecessarily, and, if he thought the circumstances such as to justify him in so doing, to order that each of the parties should bear their own costs.

In determining the payment of costs the arbitrator should take into consideration whether the claimant, after having been requested in writing so to do, had failed to deliver to the authority by whom the land was to be acquired a statement in writing of the amount claimed in sufficient time, and giving sufficient particulars to enable the authority to make a proper offer.

(B.)—Improvement Schemes, the Clearance of Slum Areas, and the Construction of Arterial Roads.

The Committee considered the possibility of employment being provided in connection with town improvement schemes and the clearance of slum areas, but they came to the conclusion that neither of these forms of activity lent themselves to the purpose in view. They do not permit of labour being engaged upon them immediately. The preliminary work must occupy a considerable time, usually years, satisfactorily to carry through, and by far the larger portion of the expenditure is in connection with the purchase of property. Work would doubtless be provided for surveyors and other professional men, but this and that which would fall to be carried out by the class which these schemes would primarily be organised to benefit, would together represent but a small proportion of the total cost.

For these reasons the Committee are not prepared to recommend schemes under this heading.

(C.)—Building Operations, Repairs, Maintenance of Roads and Highways, &c., suspended during the War.

(1) *By Public Authorities.*

All public authorities including the State should be urged to put in hand, on need arising:—

(A) All building works, the progress with which has been suspended during the war by reason of restriction on capital expenditure or difficulty of obtaining labour and material. For instance, many large works in London alone have been suspended, and schemes for improving schools have been allowed to lapse. This might represent an expenditure of several millions sterling in the years immediately following conclusion of peace.

(B) During war the ordinary works of repair, decoration, and renovation have been suspended. The arrears should be made up and normal practice resumed.

(C) Roads and highways maintenance. This represents in bulk a large expenditure. The county and non-county boroughs, according to the local taxation returns for the last published year, 1912-13, maintained over 16,000 miles of highways, involving a total expenditure in the year in question, whether out of rates or capital, of about 4½ millions sterling with a further sum of nearly £850,000 for the Metropolitan Borough Councils. During the war the usual standard of maintenance has not

been kept up; and there has been a greater wear by the military traffic. The need for expenditure on roadways will be much greater than normal immediately following the conclusion of peace, and should be adopted as a relief measure if need arise.

(2) *By Private Owners.*

Appeal should be made to private owners to supplement the efforts of the public authorities. During the war ordinary works of maintenance, decoration and renovation have been suspended, and large arrears of work, representing in gross a very large sum, will fall to be executed. If the difference between gross and rateable values is adopted as representing the average annual cost of repairs, &c., this would indicate an expenditure under this head of nearly £56,000,000 per annum, and surveyors complain that this allowance in many cases does not meet the actual expenditure. The Census of Production Report quotes the Report of Commissioners of Inland Revenue, 1908-9, that 33 millions sterling was allowed by way of deduction in respect of repairs to houses; but this sum does not include repairs done to houses below the limit of exemption from inhabited house duty. After several years of war, where the expenditure has had to be considerably reduced in extent, although, possibly owing to high price, not in amount, there seems every probability of a large amount of work of this class awaiting execution.

There must also be a large accumulation of building operations to be carried on on private estates under building agreements and leases which have been held up during the war. In London alone these may be estimated at several millions sterling.

Summary of Recommendations.

1. The Government to move the larger local authorities to collect the information and to make the preparations necessary for work on schemes for the erection of working-class dwellings, to be commenced at once on unemployment arising (page 18).

2. The responsibility for all details of planning and construction, and for the carrying through of the schemes, to be decentralised and placed upon the local authorities (page 17).

3. The necessary funds to be provided by the Treasury on terms not less favourable than those on which they were prepared to make advances under the Housing (No. 2) Act, 1914 (page 19).

4. Powers to meet difficulties in connection with town planning schemes in process of preparation to be given to the local authorities (page 19).

5. The rents to be charged to be not less than those ruling in the neighbourhood for similar accommodation (page 19).

6. Special powers for the acquisition of the land required for the schemes to be given to local authorities (pages 20, 21).

7. Public authorities and private owners to be urged to put in hand, on need arising, all building operations, repairs, works of maintenance, &c., suspended during the war (pages 25, 26).

(Signed) E. W. RUSHWORTH,
Chairman.

A. Goddard, *Secretary.*
27*th November*, 1916.

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IX.3.10

DECEMBER, 1916.

THE

Surveyors' Institution

(INCORPORATED BY ROYAL CHARTER),

12, GREAT GEORGE STREET, WESTMINSTER.

UNEMPLOYMENT AFTER THE WAR.

RECONSTRUCTION OF AGRICULTURE & FORESTRY.

Report of a Special Committee of the Council of The Institution.

PART II.—RURAL.

LONDON:

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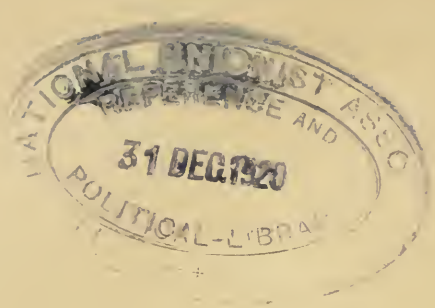
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The Surveyors' Institution.

UNEMPLOYMENT AFTER THE WAR.

Reconstruction of Agriculture and Forestry.

Report of a Special Committee to the Council of The Institution.

Sirs,

By Council Minute of the 21st February, 1916, a Committee was set up to consider the problems likely to arise at the termination of the war, more particularly in connection with possible unemployment on the disbandment of the army and munition workers; and, dealing with the questions in the light of the special knowledge possessed by surveyors, as distinct from other professional men or from representatives of trade and industry, to suggest preventive or curative schemes.

The subject of the reference appeared to divide itself naturally under two principal heads—Urban and Rural —and the Committee was separated into two divisions accordingly. Messrs. Theodore Chambers, F. E. Eiloart, Frank Hunt, B. Marr Johnson, Richard G. G. Reed, C. F. Slater, Sydney A. Smith, H. M. Stanley, and Dendy Watney, under the chairmanship of Mr. E. W. Rushworth, dealing more particularly with urban conditions; and Messrs. J. E. Bidwell, G. Turville Brown, A. J. Burrows, H. M. Cobb, M. C. Duchesne, C. B. Fisher, C. P. Hall, Edwin Savill, J. A. Trumper, P. F. Tuckett, and Leslie S. Wood, with Mr. J. H. Oakley as chairman, undertaking the rural side.

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For convenience of reference it is proposed to divide the Report under the two main heads indicated, but it is obvious that some questions cannot be exactly divided by a sharp line between town and country, although each of these areas may present some problems peculiar to itself. In making this division the Urban Report* may be taken to cover all districts, even though not corporate boroughs or urban districts, where the population is large and the conditions industrial rather than agricultural; the Rural Report, on the other hand, deals with districts where the conditions are agricultural even though included within the area of an urban district or borough.

These Reports will be found to differ in one important point. The Urban Report deals exclusively with the steps which should be taken to meet the possibility of a period of acute unemployment after the war, and recommends the preparation of schemes for that purpose. The Committee wish to state that the suggestions for the organisation of these schemes are put forward solely with the object of meeting a definite and immediate emergency, and that they would not, in their opinion, be justified under ordinary conditions.

Those responsible for dealing with the question from the rural point of view were at once faced by the difficulty that agriculture, the principal industry within the scope of their reference, does not lend itself to emergency measures. They, therefore, turned their attention to making recommendations which would have the effect of securing prosperity to agriculture, and result in more persons being employed therein, rather than to drawing up schemes to meet the immediate emergency of unemployment except so far as these are set out on pages 49-51.

* Issued separately from the Rural Report.

Part II.—RURAL.*

The subject of the reference, so far as it concerns rural conditions, would seem to divide itself into two main heads:—

(A) How to find work upon the land for discharged soldiers, or for other persons who may suffer from lack of employment at the end of the war; and

(B) How to secure the presence of a sufficiency of available labour in rural districts to enable agricultural operations to be effectively carried on and the largest practicable amount of home-grown food to be produced.

As has already been stated, the Committee very early in their deliberations came to the conclusion that rural conditions did not lend themselves readily for emergency measures, and that whatever recommendations they might finally decide to make, the success, if any, which would follow their adoption must depend primarily upon the existence of conditions favourable to the industries, agriculture and forestry, principally concerned. The Committee, therefore, directed their attention in the first instance to determining how those conditions might best be attained.

Existing Agricultural Conditions.

In January last the Departmental Committee of the Board of Agriculture on the Settlement or Employment

* Note.—Part I. (Urban) is issued separately.

on the Land of Discharged Sailors and Soldiers, under the chairmanship of Sir Harry Verney, expressed their unanimous conviction (Cd. 8182) that a scheme for attracting a large population to the land was urgently required, and with this view The Institution Committee are entirely in accord. While recognising the application of the rule of diminishing returns after a certain level of production has been reached, they are of opinion that the fullest practicable use is not being made of the land in this country, and that partly by improved systems of farming and a greater employment of labour, and partly by a more thorough and scientific use of methods already utilised, a considerably higher total output of home-grown food might annually be produced. In this view they are supported by the conclusions arrived at by the Departmental Committee on the Production of Food under the chairmanship of Lord Milner (Cd. 8048 and 8095); and further by both the Majority and Minority in the Final Reports of the Settlement and Employment Committee (Cd. 8277), which were not published until after The Institution Committee had drafted their conclusions upon this part of their reference. The changes necessary to attain the result desired must depend largely upon additional capital and labour being attracted to the land, both for permanent improvements and for farming purposes, and this can be secured only by the restoration of confidence to the industry.

The effect of the want of confidence engendered by the period of agricultural depression during the final quarter of last century is clearly demonstrated by the following table taken from the official returns and showing the changes which have taken place during the forty years immediately before the war:—

GREAT BRITAIN.

Description.		1871.	1911.
Population...		26,072,284	40,831,396
Employed in agriculture (aged 10 years and upwards)		1,711,813	1,459,912
		1874.	1914.
Total acreage under crops and grass ...		31,266,919	31,900,185
Wheat	acres	3,630,300	1,868,019
Barley	„	2,287,987	1,698,880
Oats	„	2,596,384	2,849,206
Potatoes	„	520,430	613,939
Turnips and Swedes	„	2,133,336	1,475,702
Mangel	„	322,614	434,294
Vetches, Lucerne, and other green crops except Clover and Grass	„	604,890	384,314
Grass (rotation)	„	4,340,742	3,863,260
Total Arable ...	„	16,436,683	13,187,691
Grass (permanent)	„	13,178,012	17,606,444
Horses (Agricultural) ...	number	1,311,739	1,296,188
Cattle	„	6,125,491	7,092,918
Sheep	„	30,313,911	24,285,514
Pigs...	„	2,422,832	2,634,249

The Committee are aware that certain improvements which have been effected in the collection of the

statistics may have militated to some slight extent against an exact comparison of two years separated by so great an interval, but the figures are sufficiently approximate for all practical purposes. It is noticeable that the acreage under wheat in 1874 was nearly double that in 1914; barley was over half a million acres more; oats were about a quarter of a million acres less; while of the green crops, turnips and swedes, vetches, lucerne, &c., and rotation grass together show a decline approaching one and a half million acres, which is not made good by an increase of something less than a quarter of a million acres in potatoes and mangel. Clearly so far as cropping is concerned the agriculture of 1914 does not compare favourably with that of 1874, nor can it be said that this deficiency is compensated for by the increase in the head of stock kept, for, counting six sheep as roughly equivalent to one head of cattle, the total for the two years is practically the same. Doubtless the stock of to-day matures earlier and possesses improved milk-producing qualities, but the attainment of these improvements was in no way dependent upon the cropping changes shown in the above table, but to care and selection in breeding.

The figures in the table indicate that, without any appreciable increase in the amount of live stock kept, we produced less wheat by upwards of seven million quarters (nearly one-fifth the annual consumption for the whole country) in 1914 than in 1874, and nearly three million quarters less barley. Against this loss the small increase in oats may be looked upon as almost negligible, while such improvement as may have taken place in the quality of stock might have been obtained equally well under the old conditions of arable farming. Measured in money the annual loss to the national

income would represent the interest upon a very large capital sum.

The Effect of Home Production on National Security.

The importance of increased production has been emphasised by the war. The Trade and Navigation Returns show that the value of our imported food supplies before the war amounted to about £280,000,000 per annum, and the figures for 1915, although in quantity our food imports were nearly 10 per cent. less, show that their total value was approximately 40 per cent. more. So enormous a sum on the debit side of our trade exchange has necessarily had a serious effect upon the national finances in that, owing to war conditions, it can no longer be balanced by the export of manufactured goods, freights, &c., but constitutes a continuous drain on our resources. This in itself is a danger to the national security, but the developments of modern warfare, particularly in the extension of the range within which submarines may be actively employed, have intensified the danger to a country of too great a dependence upon oversea food supplies.

The Committee do not propose to put forward any estimate of the extent to which this country might become self-supporting, as such estimates cannot pretend to any statistical accuracy, and must depend to a great extent on the circumstances presupposed to exist. The figures given in the table on page 29, however, show what was actually produced in Great Britain forty years ago, and the advancement of both science and practice since that day should enable an even higher standard to be attained.

In spite of our control of the seas we have seen the price of wheat more than doubled since the commencement of the war, and no doubt can be entertained that had our acreage under this crop even equalled that of forty years ago, it would have had a very beneficial effect on the monetary position of the country. The greater the total of home production and the less our dependence upon foreign countries, the stronger would be our financial credit: while the reduction in the demands upon the carrying capacity of that part of the mercantile marine still available for ordinary purposes would have done something to prevent the great rise in prices, the effect of which has been so widespread and so great a source of anxiety.

In addition to the advantages arising from an increased production of corn, the nation would also benefit were a larger proportion of the community to enjoy the healthy conditions of a rural life, and thus form a reservoir of vitality from which the physique of the nation might be recuperated. The statistics given in the above table indicate that in 1871 there were 1,711,813 persons employed in agriculture, and that this total had dropped to 1,459,912 in 1911, a decline of 15 per cent., in spite of the fact that the population of Great Britain had then increased from 26,072,284 to 40,831,396, an increase of 56 per cent.

It is only necessary to quote these figures in order to emphasise the unsatisfactory nature of the existing position, and the desirability of taking some steps to increase the percentage of the population engaged in the most healthy national industry.

Suggested Changes in existing Agricultural Conditions.

Enlightened agricultural opinion is unanimous that a greater proportion of the agricultural land of Great Britain might with advantage be placed under the plough. This view is supported by the statistics of other countries, the average percentage of arable land in neighbouring Continental countries being considerably greater than our own, while Great Britain's high proportion of pasture has not enabled her to approach anywhere near the top of the list in respect of the head of live stock kept per hundred acres.

To the question which naturally arises how this change may best be secured, the Committee are of opinion that the answer must in the first instance be looked for in a concentration on the basic crop, wheat. The old idea that there was something antagonistic between wheat and meat, and all that they respectively represent, has practically disappeared, the best opinion favouring the view that an increase in the land under tillage need not mean a reduction in our home-grown milk and meat supply, but, on the other hand, if carried out systematically and scientifically, increased production all round.

An increase in the area under wheat is important from three points of view. In the first place wheat provides the staple food of our people, upon a sufficient supply of which the national staying power in times of crisis must to a large extent depend; and it is obvious that the greater the proportion that is home-produced the greater is the margin of safety against a possible shortage, with its adverse influence on our staying

power. Secondly, an increase in the area under wheat does not mean that it would be obtained at the cost of a reduction in the area under other corn and pulse crops or under green crops, but exactly the opposite. There would be a proportional increase in the area under these crops, and consequently in the total production of home-grown food available for human consumption and for feeding stock. And thirdly, the amount of labour employed on the land would be considerably increased.

Various suggestions have been put forward with the object of increasing the wheat area, the latest referring specially to the 1916 crop by Lord Milner's Committee (Cd. 8048); and it is generally understood that a somewhat similar recommendation with regard to the 1915 crop was made by the Agricultural Consultative Committee in the early months of the war. Recommendations by such representative bodies must necessarily carry great weight, and this Committee is at one with them in recognising that the present instability of wheat prices is not conducive to the growth of that crop. If, as the Committee hope, an extension of the wheat area is accepted as a national necessity, steps must be taken to free its growth from some of the elements of speculation which now attach to it. If confidence is thus restored, there seems no reason to fear that the necessary capital will not be forthcoming.

Recommendations for increasing Arable Area.

The Committee, therefore, recommend that during the war the Government should guarantee a minimum price of 50*s.* a quarter for wheat, and 40*s.* for the period of two rotations at least, say, ten years after the war, the sum payable to the grower being the

difference, if any, between the guarantee price and the average *Gazette* price of the year. For example, if after the war the average price for the year were 35*s.* and the guarantee 40*s.*, farmers would receive 5*s.* for each quarter of wheat sold, irrespective of the price they actually received. The man who grew a good sample and sold his wheat for 37*s.* (*i.e.*, above the average for the year) would receive 5*s.* a quarter, bringing the total amount received by him to 42*s.*, while the converse would be the effect where a poor sample was grown and sold at under the average price. If the price in that case were 32*s.* 6*d.* the total received would amount to only 37*s.* 6*d.* per quarter. The guarantee, therefore, would in no way lessen the inducement to grow the best.

Such a method would be free from many of the disadvantages which would attach to an import duty or bonus sufficient to attain the desired object. By its adoption the speculative element due to foreign conditions, which cannot be combatted by growers, would be eliminated, and they would merely have to contend with those climatic factors which are common to the industry they follow. The probable demands upon the world's wheat supply due to the war and the changing conditions in the great wheat-growing countries due to the gradual exhaustion of their natural fertility and the increasing demands of their growing population, make it probable that for some years to come the demands upon the national exchequer would not be considerable: but it would need something more than the influences at present tending to a higher range of prices to warrant agriculturists in embarking upon the considerable expenditure which would be required to place additional land under cultivation. The Committee, therefore, consider it necessary

to emphasise the opinion, which they hold strongly, that the restoration of confidence which would follow the adoption of their proposal would prove effective, and that the increase in the national security which would accompany an increase in our home-grown food supply would more than justify the possible cost to the Treasury.

While the Committee do not recommend an import duty on wheat sufficient to secure an extension of the area under that crop, thinking that that object can be obtained more economically from the national point of view by the guarantee of a minimum price, they recommend a return to a small registration duty such as that imposed by the late Sir Michael Hicks-Beach (afterwards Lord St. Aldwyn) when Chancellor of the Exchequer in 1901. That duty was 3*d.* per cwt., and it is suggested that this should be restored in respect of Colonial wheat, 6*d.* per cwt. being paid on that imported from other countries. It is also suggested that imports in grain should have a slight advantage over imports in flour.

The object of the Committee in making this recommendation is twofold. In the first place the return from the registration duty would provide a fund to meet any cost which might fall upon the Exchequer through the operation of the guarantee; and in the second the advantage given to grain over flour would have the effect, as was shown when these duties were last in force, of stimulating the milling industry in this country, and of reducing the price of corn offals used as cattle foods, such as bran, sharps, &c., the bulky character of which makes their transport costly. To insure this latter advantage it is suggested that the rebate on the export of offals made from imported wheat, which was allowed on the last occasion, should not be permitted. Thirty-six stones of

wheat produce twenty-five of flour, ten of offal, while one is wasted. The effect of the adoption of this recommendation upon the price of animal foods therefore would be appreciable.

The Committee feel the greater confidence in recommending a return to the registration duty, in that when last imposed it was found to have had no effect upon the price of bread, and, therefore, imposed no burden upon the consumer. Such a duty, if reflected accurately in the price of bread, would have meant merely a fraction of a farthing per quartern loaf, too small a sum to affect the price; and although, in order to give preference to the Colonies, a duty of 6*d.* per cwt. (about 2*s.* per quarter) is now recommended on foreign imports, even this would not amount to more than about 1-8th to 1-6th of a penny on the quartern loaf, again too small a sum in practice to be passed on to the consumer by the distributor, more particularly as foreign imports would have to compete with those from the Colonies entering at the lower rate.

Other Factors conducing to Prosperity in Agriculture.

While the Committee attach the highest importance to an increase in the home-grown food supply, and have made the above recommendations as affording, in their opinion, the best and most speedy means of restoring confidence and attracting to the land the necessary capital without which this desideratum could not be attained, there are other factors which, each in its own degree, would assist in the return of prosperity to agriculture.

Among the more important of these are agricultural

education and research, organisation, and improvement in transport, each of which is touched upon shortly. Local and imperial taxation and land tenure are also referred to, while the important subject of labour, how it may be attracted and how housed, is dealt with at greater length.

Agricultural Education, Research, New Crops, &c.

The Committee do not propose to do more than touch upon the beneficial effects of education on the prosperity of agriculture. This has long been recognised, and since the "Whisky Money" was first allocated to technical education, great strides have been made in familiarising farmers with the intimate connection between science and practice in their industry.

The Rural Education Conferences, which have been held regularly since 1910 and on which The Institution has been represented by two Members of the Council, have done valuable work in making recommendations for the co-ordination of agricultural education, and generally for the improvement of rural education. These Conferences should be continued on a permanent basis, and effect given to their recommendations by the Boards of Agriculture and Education.

The method adopted of late years by which a number of counties have joined together with Government support to establish an agricultural educational centre, which may not only provide a scientific training for those who desire it, but will also act as a radiating point from which less advanced teaching may be distributed throughout the area, has proved most valuable, and is likely to become more so as its beneficial results become more fully recognised by those for whose advantage these

centres have been primarily instituted. In this connection the Committee would urge the importance of practical demonstrations—demonstrations in the value of manures or feeding stuffs, in which farmers throughout the district might be invited themselves to take part; in labour-saving appliances; in the use of motors for farm work of every description, a development which already shows signs of having a marked effect on arable farming; in the growth of new crops; the scientific treatment of fruit, &c. Already the county organisers are doing excellent work in this direction, and their efforts might be supplemented by continuing in existence the War Agricultural Committees which were instituted by Lord Selborne in accordance with the recommendations contained in the Interim Report and Appendix of Lord Milner's Committee (Cd. 8048). Although demonstrations must be looked upon as the most effective means of bringing home to farmers the discoveries of science, much good might be done were more use made of the excellent leaflets which are issued by the Board of Agriculture, but which reach the hands of so small a percentage of those for whose benefit they are prepared. The War Agricultural Committees might also carry out a useful work in this direction.

Turning to the education of the labourer, the Committee are aware that of late years the Board of Education have done something to break through the hard-and-fast system which imposed the same education on rural and urban child alike. But much still remains to be done in training the labourers of the future in the special arts of their work, a knowledge of which, it is regrettable to say, is rapidly dying out. It is difficult now to obtain competent hedge cutters, thatchers, drainers, or shearers, and yet by the exercise of these arts the labourer is able to

supplement his annual earnings in a marked degree. Special efforts should be made to provide this training for lads on leaving the elementary schools, and something might be done to take the place of the old system of apprenticeship by providing for instruction on the farm. It is sometimes overlooked that the competent agricultural labourer is possessed of a skill in no way inferior to that of the mechanic or engineer, nor of less value to the nation.

Although since 1889 the expenditure on agricultural education and research both by the Government and by county councils has largely increased, it was not until the setting up of the Development Commission in 1909 that the sums available for these purposes in any way approached those expended with similar objects by many Continental countries, by the United States, or even by some of our Colonies. The establishment of the Commission is still of too recent a date to enable its work to be judged, but a wide field for its activities is presented in providing the funds necessary for testing the commercial value of new crops and fresh outlets for existing ones, and in resuscitating the growth of those which through adverse excise duties or other causes have been permitted to die out. State departments abroad have done much by experiments, by loans, and by advice to encourage new industries, such as the extract of starch and industrial alcohol from potatoes, and nitrogenous manures from peat and from the air; but it cannot be expected that private capital will be forthcoming in sufficiently large amounts adequately to test without State assistance the possibilities of such openings in this country in the face of competition from firmly established industries abroad.

Organisation.

The Committee are of opinion that much still remains to be done in the way of organisation for the purchase of farm necessities; for the grading and sale of farm produce; for improving the facilities for obtaining credit; for the improvement of stock; and for reviving village industries. They are aware that the Board of Agriculture, in conjunction with the Agricultural Organisation Society, has taken this work in hand, and that the education of the British farmer in these methods is a slow process. But the success which has followed the systematic effort on these lines, particularly in Denmark and Germany, lead the Committee to attach great importance to the steady furtherance of this work.

They desire specially to refer to the possibilities connected with the improvement of live stock. In many cases a return from dairy cattle of little more than half that which should be looked for is acquiesced in through ignorance, or through failure to keep records. They would suggest that Record Societies, such as are found in Denmark, should be organised for the purpose of promoting the keeping of milk records, and prizes offered at agricultural shows for those showing the best results. Much has been done by private societies to raise the standard of cattle in certain districts by distributing first-class bulls, whose services can be obtained at fees within the means of even the smallest farmer, and the Committee think that a considerable expenditure by the Development Commissioners in this direction would prove to be thoroughly justified. It is possible that an attempt to prevent the services of inferior bulls being

used for hire might give rise to almost insuperable difficulties, but should it prove possible by licences or other means to evolve a practicable scheme, it would have a far-reaching and beneficial effect, and would enable more milk and more meat to be produced by the same expenditure of feeding stuffs.

The home-grown food supply might also be considerably increased by a far more general use of artificial fertilisers. The county organisers previously referred to could do much to bring home to farmers the advantages which might be expected to follow the proper use of those manures, but the organising societies would have their share of the work to do in seeing that they were purchased at reasonable prices and that the analyses were correct. Advice and assistance should be given in the same way in the purchase of feeding stuffs, seeds, &c.

Railway Rates and Transport.

As a rule complaints in connection with transport are directed not so much against the facilities afforded as against the charges made; and the Committee have come to the conclusion that the methods adopted by railway companies in Great Britain operate adversely to the home grower. They are aware that nominally preference cannot legally be given to foreign over home traffic, and they are also aware that the Majority Report (Cd. 2959) of the Departmental Committee of 1906, under the chairmanship of the late Lord Jersey, found that "the evidence tendered failed to show that railway "companies are giving undue preferential treatment to "foreign and colonial produce as compared with home "produce contrary to the intention and effect of existing

" legislation." But the conditions are so dissimilar that there are no practical means of ascertaining whether preference exists in any particular case, or of testing whether it amounts to undue preference. The rates from ports are competitive, an element which is absent in the case of traffic from outlying inland stations, and which doubtless accounts for the latter appearing to compare unfavourably with those for through traffic. The whole question, however, is so complicated by terminals and the different services rendered that it is almost impossible for any person, other than a railway expert, to substantiate a specific complaint of undue preference; although in practice, be the reasons what they may, the opinion is largely held that the conditions are less favourable to home than to foreign traffic.

The Committee believe that sufficient attention was not given to the Minority Report of Mr. Haygarth Brown, who had studied the question closely, and who suggested that preferential treatment means the charging by railway companies of rates which are lower *in proportion to the cost of services rendered* than the rates charged for the carriage of home produce of the same description, or *the affording of more or better facilities* for the carriage of foreign than home produce (the italics are Mr. Brown's). They are of opinion that this view is the fair one, and that if it were accepted the difficulties now existing would to a great extent be removed.

A less important matter, but still one which is worthy of passing reference, is that of owner's as against company's risk rates. The latter are so much higher than the former as to be prohibitive, while in the case of the former the company repudiates all liability for damage, loss, or pilfering, even by their own ser-

vants, unless it can be shown to be due to actual negligence on the part of the company. The conditions of the foreign and through traffic are such as to reduce the chances of loss through these causes to a minimum, but in any case it is believed that the importance of this traffic to the companies is such that they interpret their liability much more generously than where home-grown produce is involved.

With regard to the need for improved transit facilities, the Committee are of opinion that every effort should be made to encourage motor transport in rural districts, and to reorganise the old canals and waterways, which might well be used to afford cheap carriage for many heavy non-perishable commodities. Where the control of waterways has passed into the hands of railway companies it might be taken over by the Government. Alternative and competing routes are an essential if the facilities so readily offered in the case of overseas produce are to be extended to that grown at home.

Local and Imperial Taxation.

Many complaints have been made by agriculturists that the present system of assessment is unfair, and that a new method of meeting local expenses should be devised. The truth of this has to some extent been recognised by the Legislature in the Agricultural Rates Act. But the Committee are of opinion that, although improvement in detail might be suggested, any radical change in existing methods, while giving rise to great dislocation and disturbance, would merely have the effect of increasing the capital of certain persons who purchased or inherited their properties subject to these

charges, while reducing the capital of others. They consider that the complaints which are made against the existing system of rating are due mainly to the increasing burden of the rates, and to the fact that a large proportion of the cost of national services, such as education and the maintenance of main roads to which the increase is mainly due, falls disproportionately upon farmers who obtain no commensurate advantage therefrom. Provided that local rates were relieved by a fair and proper contribution towards the cost of the above-mentioned services made by the national exchequer, the Committee are of opinion that few changes in the existing law and its administration would be called for. They would, however, strongly urge that the existing scale of subventions is entirely inadequate, and that the growth of these charges, owing to the fact that the ratio between a farmer's assessment for local rates and his total profits is so high compared with other trades, imposes a burden upon agriculture far in excess of what was originally contemplated, and unfair compared with that falling to be borne by other industries; it further constitutes an addition to the cost of producing food in this country.

On the subject of imperial taxation in connection with agriculture the Committee have no comments to offer. Farmers, it is true, are now required to pay income tax, Schedule B, on the annual value of their holdings instead of on one-third the annual value as before the war. But in this they are merely asked to share with other classes of the community in bearing the cost of the war. Should they find the additional taxation unduly oppressive they have been given the option of being assessed on their actual profits under Schedule D.

Land Tenure.

The Committee are aware that it has been alleged that farmers are prevented from carrying out improvements and increasing the productiveness of their holdings by the insecurity of their tenure. The consensus of experienced opinion, however, seems opposed to this view. The Departmental Committee appointed in 1911, under the chairmanship of Lord Haversham, to inquire into the position of tenant farmers on the sale of estates, stated (Cd. 6030) that the existing system of land tenure had, in the opinion of the witnesses who had appeared before them, "worked admirably from the point of view "of the tenant farmers of the country." The memory of the period of acute agricultural depression has led farmers to prefer yearly tenancies to leases, but should increased agricultural prosperity and stability give rise to a desire for leases, there is no reason to suppose that they would not be readily granted to good tenants.

It has, it is true, been customary for farming agreements to contain conditions inserted for the express purpose of preventing the deterioration of fertility by laying down the system of cropping to be followed, but the Agricultural Holdings Act, 1908, gives freedom of cropping, subject to certain safeguards, and it is, therefore, now at the option of the tenant farmer to try new methods should he desire to do so. Were the recommendations of the Committee for the increase of arable land adopted, there is no reason to anticipate any difficulty on the part of landowners in connection with proposals to break up suitable land. Indeed, were stability of prices in any way assured, the Committee are of opinion that the majority would encourage a return to arable of a good deal of land which was

formerly under the plough, but which has been allowed to drop out of cultivation or was laid down to poor grass during the period of depression at the end of last century.

There is certainly much to be said in favour of the prevailing system by which capital improvements are undertaken by the owner, leaving the tenant's capital entirely free for his farming operations; and this is the less open to dispute in that it is generally acknowledged that as a rule the amount of tenant's capital now employed per acre is insufficient to secure the best results, and might well be increased to the £10 per acre which was looked upon as a fair average in the prosperous times of agriculture.

Such a desideratum may confidently be anticipated if greater stability of prices is insured; but it should not be overlooked that it is equally important that owners should contribute their share to the desired improvement, and that this cannot be anticipated with equal confidence if, in the words of the Haversham Report, there exists "a feeling of apprehension among "landowners as to the probable tendency of legislation "and taxation in regard to land." The Committee would, therefore, deprecate proposals which might have the effect of diverting the flow of capital from improvements such as drainage and the proper equipment of holdings.

Subject to these remarks and those appearing under the two succeeding headings, the Committee do not consider that changes in the existing system of land tenure would prove beneficial to agriculture.

Labour and Housing.

Having dealt in some detail with the means which should be taken to secure the prosperity of the industry

primarily concerned, it becomes necessary for the Committee to consider how the labour necessary to carry on that industry can best be attracted.

Much has been written about the depopulation of country districts, and it is true that agricultural depression left its mark on the census statistics during the period when it became acute: but after the revival of agriculture which began with the new century, an increase of 106,633 in the number of persons engaged in agriculture was shown by the census figures of 1911 for England and Wales compared with those of 1901 (Cd. 7018). It would therefore appear that the improved conditions of the industry have already produced an effect which might be expected to increase with the growth of prosperity.

While the question of wages may not have been the prime factor which led to the great immigration of labour from the country to the town during the period of depression, there is no doubt that the upward tendency of agricultural wages, which has been noticeable during the past few years, would be further stimulated by the increased demand for labour which would follow an extension of the arable area, and would necessarily have some bearing on the problem before us by lessening the disproportion between the remuneration for industrial and agricultural labour.

The following table showing the diminution in the arable area of twelve representative counties and the accompanying decline in the male agricultural population is of interest. It will be seen that, subject to some variations dependent on special circumstances, the latter has followed the former; for example, in six out of the twelve counties there has been a decline of over 100,000 acres of arable, and in each of these counties, except

Northumberland, where the highest standard of wages prevails, the greatest falling off in the agricultural population is recorded. Of the others it is noticeable that Worcestershire, in spite of a decline in the arable area of 82,677 acres, is the only county to show an increase in the male agricultural workers, a result which is doubtless due to the existence in the county of areas so suitable for fruit growing and petit-culture as the Vale of Evesham and Bewdley.

TABLE SHOWING ACREAGE UNDER PLOUGH IN TWELVE REPRESENTATIVE COUNTIES IN YEARS 1871 AND 1911, AND NUMBER OF MALE AGRICULTURISTS OVER 15 YEARS OF AGE ENGAGED IN EACH COUNTY DURING THE SAME YEARS.

County.	Arable Acreage.			Agricultural Male Population.		
	1871.	1911.	Difference.	1871.	1911.	Difference.
Northumberland	326,044	186,611	−139,433	17,802	14,110	−3,692
Yorks (E. Riding)	499,093	150,658	−48,435	24,584	23,150	−1,434
Cheshire	195,438	195,326	−112	31,526	29,116	−2,410
Lincolnshire ...	1,051,876	1,003,743	−48,133	65,262	59,696	−5,566
Leicestershire ...	181,641	100,222	−81,419	20,901	15,360	−5,541
Shropshire ...	342,207	228,603	−113,604	30,116	23,317	−6,799
Norfolk	840,399	782,376	−58,023	54,160	51,408	−2,752
Essex	640,120	506,121	−133,999	53,758	45,360	−8,398
Worcestershire	212,776	130,099	−82,677	21,095	21,804	+709
Somerset... ...	296,880	170,451	−126,429	15,353	33,328	−12,025
Hants	536,980	397,926	−139,054	40,920	33,608	−7,312
Kent	443,581	303,500	−140,081	55,893	49,434	−6,459

The figures given in the table may therefore be taken to corroborate the opinion already expressed as to the close connection between the size of the agricultural population and the quantity of land under the plough. A mere increase in the number of acres of arable land, however, would not suffice to increase the rural population in the absence of (1) a standard of wages comparable, *pari passu*, with that offered by other industries, (2) suitable arrangements for housing the labourer and his family, and (3) reasonable prospect of advancement in the future to a steady and aspiring man.

Of the factors (3) will be dealt with under the heading touching upon Small Holdings and Land Settlement, but the mutual interdependence of (1) and (2) is so intimate that they do not lend themselves to separate treatment. Although there are doubtless a number of other matters exercising an influence upon the provision of workmen's houses in rural districts, it will generally be accepted that the return obtainable from capital thus invested is the most important; and that, unless farm labourers receive a wage which will permit them to pay a rent giving a fair return on the capital expended, an adverse effect upon cottage building will be exercised.

The problem necessarily differs with the character of the district; whether, for instance, the land is mainly in the hands of a large landowner, in which case the provision of a sufficiency of houses has usually been accepted as one of the responsibilities of the position; or is divided up among a number of freeholders, in which case no single individual may feel any obligation to tie up capital in so troublesome a security as cottages; or, thirdly, is within an area possessing residential attractions, in which case many of the best cottages will be diverted from their original use for the enjoyment of

a more wealthy class. But it is generally acknowledged that in rural, as in more thickly populated districts, there is, on the whole, a shortage of cottages at the present time; and although the census returns, with regard both to the number of houses being built and to overcrowding (Cd. 6910), show that the country compares not unfavourably with the town in that respect, the number of country cottages must be increased and their standard improved if a more productive use of agricultural land is to be secured. In some parts the standard of sanitation and comfort of the existing cottages leaves much to be desired.

The position in rural districts has been complicated by the fact that in the past cottages have been mainly provided by the owners of the estates upon which their occupiers have been employed. They were looked upon as part of the equipment of the estate, and they were frequently let at mere nominal rents, having regard to the indirect benefits resulting from their presence. No ill effect from this system was felt at a time when the cheapness of building and the satisfactory return from agricultural land induced owners to expend capital without too close an inquiry into the immediate return. But with the period of low rents and uncertainty as to the future which commenced in 1878, unremunerative expenditure to a great extent ceased. An improved standard of housing grew up, old houses became worn out and were allowed to fall into disrepair, and officials, railway employees, and others gradually found their way into cottages formerly occupied by men employed on the estates. In many districts a shortage of houses resulted, and, the old nominal rents continuing, no inducement to build was offered.

The system of nominal rents was doubtless based

upon the low rate of agricultural wages, the cheapness of building, and the low standard of housing requirements, which prevailed when it came into being. But the advantages which it may formerly have possessed would now appear to have passed, or, at any rate, to be outweighed by its acknowledged detrimental effect on building. The question is whether existing circumstances would permit a return to less artificial conditions. That there has been an increase in the wages of farm labourers during the last ten years is well known, and is borne out by the official figures in the Abstract of Labour Statistics of the United Kingdom (Cd. 6228) and the Board of Trade Report on Changes in the Rates of Wages (Cd. 7080), although these merely take us up to 1910 and 1912 respectively. No official figures exist which could be quoted to show the rise in wages since then, but those connected with farming and the management of land know that between 1912 and the commencement of the war the upward trend became more marked, and that since then labourers have practically been in a position to name their own terms. While it is unlikely that agricultural wages will return to their former level it is worthy of consideration whether, in the event of official action being taken on the lines of the recommendation contained on pp. 10 and 11 of this Report, some arrangement with regard to a proper standard of wages might not be desirable for the purpose of attracting a sufficiency of labour to the land to enable full advantage to be taken of the improved position.

Even if this were done, however, it would have no great effect upon the housing question unless the rise in wages were accompanied by an attempt to put cottage rents on a more economic basis. It is thought by some

that the rise in wages before the war merely met the increased cost of living, but owing to the special facilities usually possessed by country labourers themselves to produce potatoes, milk, pork, and certain other commodities, or to obtain them at prices below those given by town dwellers, such a conclusion would probably be incorrect. Exact figures bearing on the point are not available, but the Board of Trade Reports on the Earnings of Workpeople of the United Kingdom (Cd. 5460) and on Working-Class Rents and Retail Prices (Cd. 6955) would seem to indicate that, apart from the fact that the majority of farm labourers are partially self-supporting by means of their gardens, allotments, and small holdings, the cost of living is smallest in the southern counties where wages have been lowest.

It would therefore seem probable that even before the war a small increase in cottage rents in rural districts would not have imposed an intolerable burden on their occupiers, and that, with the higher level of wages which must prevail after the war, owners and agents would be justified in taking every opportunity which may offer of gradually bringing rents up to a standard nearer the real letting value.

Were this suggestion carried out, the Committee believe that the higher return would not only in the future make owners of estates more ready to build, but in parts where ownership is divided might even attract to some extent the small investor. The high cost of building would for the time being present a counter-influence, but it is to be hoped that after the war this may gradually be restored to a more normal level. The Committee are, however, of opinion that it would be unwise to place too sanguine a reliance upon the assistance likely to be

obtained from outside investors in solving the problem of housing in rural districts, and, if they are right in that opinion, it would seem that the landowners must continue to be the main source of supply. Should a revival of agricultural prosperity be secured, there is every reason to believe that they will not fail to provide what is necessary for the housing of all persons employed upon or required in connection with their estates. But they cannot fairly be called upon to provide accommodation for policemen, postmen, employees of local authorities, railway companies, &c., who, should other agencies fail, may have to be housed through some adaptation of the provisions suggested in Part I. of this Report,* or by throwing the responsibility of making provision for their needs on to their employers. The landowner as a rule is best in a position economically to erect and maintain cottages on his estate, and he should therefore have the option of supplying houses for these classes also. But should he prefer not to do so, he might properly be required to provide the land necessary for the purpose at its market value.

In some districts it might be necessary to provide additional accommodation at once in order to house the labour required for the more intensive cultivation desired by the State, although the present cost of erection would be practically prohibitive to private owners. Where in such cases owners were prepared to undertake the responsibility, the State should bear such proportion of the cost as might fairly be attributed to the exceptional circumstances.

The subject of tied cottages has received so much attention that a report touching on rural housing which did not refer to this vexed question would be

* The Urban Report, issued separately.

incomplete. Before proceeding to summarise their conclusions with regard to agricultural wages and housing, the Committee must, therefore, state very shortly their views with regard to tied cottages. They would point out that as a rule cottages in villages are taken direct from the landowner, while outlying cottages are usually let with the farms. With this custom they are in accord. It is desirable that the labourer, particularly if engaged in connection with live stock, should be near his work, and were these outlying cottages no longer let with the farms, either the protection which it is suggested would be given to the labourer by a change in the system would be merely nominal, or the very object for which the cottages were erected would be lost, and men living on one farm would have to travel considerable distances daily to work on another. Such a system would also have the great disadvantage of providing a continual source of irritation and friction between the parties.

The following are the conclusions of the Committee on this branch of their subject. They must not be looked upon as conflicting with the housing recommendations contained in the urban portion of this Report, which apply only to special emergency schemes :—

1. That if a sufficiency of labour is to be attracted to enable the land to be put to its most productive use, a rate of remuneration which will permit the labourer to be suitably housed and to live in a reasonable standard of comfort, will have to obtain.

2. That any attempt after the termination of the war to return to the old level of wages should be deprecated; and that owners, agents, and the more advanced farmers, should combat any such tendency by

continuing to pay the highest wage that the return from the industry might fairly warrant.

3. That owners of cottages should take such opportunities as may offer of fixing rents at the lettable value.

4. That where, after inquiry by the Board of Agriculture, a shortage of houses for the natural requirements of a parish or district is found to exist, the provisions of the Housing (No. 2) Act, 1914, should be put into force; and if the landowners do not themselves erect the necessary houses, the sites should be obtainable at the market price of the land, if necessary under compulsory powers.

5. That where the shortage is found by the Board of Agriculture to be due to the housing provision for the ordinary requirements of the district being taken up by employees of the Government, local authorities, or statutory companies, those bodies should be required to supply sufficient accommodation for their own needs in the event of the landowners not exercising their option to do so.

6. That where cottages are built under the above Act, garden ground of not less than one-tenth of an acre should be supplied.

7. That where the owner himself decides to build, after a shortage of houses has been found to exist by the Board of Agriculture, he should be placed upon an equality with local authorities or authorised societies building under the above Act with regard to the financing of his operations, provided that he fulfils such conditions as to plans, water supply, garden ground, and rents, as the Board of Agriculture may lay down.

8. That, if necessary, facilities should be given to owners to form themselves into authorised societies for the purpose of obtaining the financial assistance for building referred to in the previous paragraph.

9. That the Board of Agriculture should be empowered, in all cases dealt with by them under 4, to modify or amend building by-laws which in their opinion would unnecessarily add to the cost of the building.

10. That the precedent of the London Building Act, 1894, should be followed, and a tribunal of appeal should be set up, with wide powers to decide questions arising where obsolete or severe by-laws are found to have an unduly restrictive effect on building.

Small Holdings and Farm Settlements.

Under the previous heading reference was made to the necessity of offering reasonable prospect of advancement to the steady and aspiring man if a sufficiency of labour was to be made available to meet the more intensive cultivation advocated in the early part of this Report. In this connection the Committee are of opinion that the prospects of the agricultural labourer do not compare so unfavourably with that of those engaged in other industries as is often supposed. They have had placed before them statistics covering some 350 farms situated in both the north and south of England, which show that 120 of these are at present occupied by men who started life as agricultural labourers, while a further 44 are occupied by men who are the sons of agricultural labourers who had become farmers.

The Allotments and Small Holdings Acts have done much to add to the possibilities of advancement, and

provided that care is taken to secure suitable conditions and reasonable prospect of success, the Committee are entirely in favour of these attempts to provide a ladder to rise.

The introduction of the Small Holdings (Colonies) Bill has shown that the principle of land settlement has been, at least tentatively, accepted by the Government, and the sympathy naturally accorded to discharged soldiers will probably lessen the criticism which might be directed against some of the more artificial features of the scheme. It is possible too that the social and national advantages to be gained from such colonies may outweigh the objections which might be raised against them economically, particularly if the men, the sites, and the districts are selected with a thorough knowledge of the difficulties to be faced.

On the other hand, the cost of establishing the colonies and the artificial character of the scheme make it doubtful whether, even in favourable circumstances, a commercially successful result would be attained if the expenses in connection with direction, education, &c., were charged to the settlers; while a period of low prices and agricultural depression would almost certainly result in a further call for assistance from public funds. The members of the Departmental Committee, however, on whose recommendations the trial is to be made, recognise that their proposals cannot be carried out without a financial charge upon the nation, at any rate during the earlier life of the colonies, and if they consider that a commensurate public advantage is to be anticipated, the Government are doubtless justified in making the experiment. The present time, when numbers of men may shortly be expected to be discharged from military service, would seem to be oppor-

tune for organising the experiment. There are, however, two main points to be borne in mind.

In the first place the social advantages attaching to small holdings should not blind those responsible for promoting them to the fact that in districts where a particular form of tenure can only be established by special pressure and artificial means it is unlikely to succeed permanently, and great care should therefore be exercised in the selection of sites. Not only should land be chosen in respect of its suitability for the methods of cultivation or food production specially adapted to small holdings, but also with a view to its convenience for marketing the produce. The personality of the applicant should also be carefully studied, energy, initiative, and thrift being qualities necessary to the success of the smallholder. It would be unwise to go too far in the way of the propagandist campaign suggested by the Departmental Committee, and thereby to suggest to the ignorant that the land offered a comparatively sure and easy livelihood to those who secured a few acres. The life though healthy and possessing its own attractions cannot fail to be a hard one if success is to be assured.

The Small Holdings Act has now been in operation for a sufficient number of years to enable a fair opinion to be formed as to the future success of the movement. Before any extension of small holdings on a considerable scale is undertaken, a thorough and impartial survey should be made and a report issued showing the condition of the land and stock of the individual holdings and the prospects of their occupiers. At present there would appear to be no unanimity of opinion on the subject, nor can this well be looked for until a complete report has been placed before the public.

In the second place it should not be forgotten that, from the point of view of the nation, an increased production of the main food necessities of the community —bread, milk, and meat—is of far greater importance than the social advantages to be attained by giving more persons a direct interest in the cultivation of the soil, even though accompanied by a proportionate increase of the vegetable crops usually produced on small holdings. It is said that the larger farms are under-cultivated, and that small holdings would not only give employment to a larger number of people, but would also add to the total home-grown food supply. No such axiom, however, can be accepted without qualification. It may be true in certain districts, while it is entirely the opposite in others; but it would usually be correct to say that small holdings are not adapted for the production of two, at least, of the three main food necessities. While, subject to the conditions already mentioned, the Committee are entirely favourable to an extension of small holdings, whether by settlement or otherwise, they think it necessary to add that if, as has been suggested in the earlier part of their Report, it is essential to the safety of the country that a larger proportion of these necessities should be produced at home, encouragement to the larger farmers to make the utmost use of their land, and to landowners to bring all available land under cultivation, is of even greater importance than an extension of small holdings.

The Organisation of Forestry.

By the improvement and extension of our woodlands, and the reorganisation of our home markets for timber and the products of woodland industries, a good deal of

additional healthy outdoor work might be provided. As in the case of agriculture, the Committee have thought it important to consider the conditions necessary for the prosperity of this industry.

All are agreed that there is a large area of hill and poor land in England and Wales which could be more profitably utilised than in its present semi-waste condition. Some of this land, with proper selection and with reasonable expenditure, might be reclaimed for agricultural purposes, but a certain proportion exists which could be utilised more profitably by properly considered schemes of afforestation than by any other means. It should be borne in mind that some of the coarse gravels and shallow soils are eminently favourable to tree growth. The Committee are not in a position to say what the total area of land suitable for planting would be, but they note that in the Report on Afforestation of the Royal Commission on Coast Erosion (Cd. 4460) it is estimated to be 9,000,000 acres in the United Kingdom. This has usually been looked upon as a somewhat excessive estimate, but even a total of 1,000,000 acres would be greater than would be required for immediate purposes and until detailed investigations have been completed.

The Royal Commission's Report goes on to say that "the afforestation of suitable lands in the United "Kingdom, if undertaken on an adequate scale and in "accordance with well-recognised scientific principles, "should prove at present prices (1909) a sound and "remunerative investment." After referring to the demands made on the existing supplies, they add: "It "seems impossible to escape from the conclusion that ". . . . a steady and very considerable rise in prices "may be looked for throughout the present century."

While some doubt may be felt whether the estimates of the Commissioners as to the financial return to be anticipated from the adoption of their proposals were not over-optimistic, the present war has shown that the dependence of the United Kingdom on overseas countries for its timber supplies has been a source of national weakness and even of danger. In 1913, the last complete year before the war, over 11,000,000 loads of pit wood, sleepers and other timber were imported into this country. The greater need for other commodities, the shortage of ships, and the bulkiness of this form of cargo, necessitated the organisation of the previously unorganised home supply to meet the shortage thus occasioned, and this proved a work of the greatest difficulty. The restriction of the foreign supply has also resulted in an immediate consumption of home-grown timber out of all proportion to the amount which might properly be looked upon as annually available. The supplies for the future have thus been very seriously depleted, and steps should be taken to make good the loss. The prices now prevailing for many classes of timber are of course abnormal, and cannot fairly be quoted as indicating the return which might be looked for; but the war conditions have shown that even had the return from State woodlands been considerably less than that anticipated by the Royal Commission, a wide area of systematically cropped woodland would have justified itself as an insurance against the difficulties in which the country has been placed by its want of foresight.

Afforestation might well be looked upon as an integral part of any scheme for the reclamation of heath and hill-lands, and this should particularly be the case where the circumstances are such as would permit small hold-

ings to be established on the reclaimed land. By such a combination work would be provided for the occupants of the latter at a time when there would be little for them to do on their holdings. Indeed, properly managed woodlands may be said to furnish two sources of wealth: in the first place they afford a means of livelihood to a number of persons, and in the second, capital is being annually accumulated by the growth of the trees.

Of great importance, also, is the replanting and proper stocking of the areas already enumerated under Woodlands, but which have, during the past generation, and particularly during this war, been largely denuded of timber. While there are notable exceptions, it is probably correct to say, as a general assertion, that existing woodlands in England, excluding larch plantations, carry a crop of timber of scarcely one-fourth the amount which fully stocked woods should carry. The effect of this understocking inevitably results in the production of inferior timber.

The question to be considered, therefore, is the means by which the existing understocked woodlands and the waste areas capable of growing timber can best be made available for the production of the timber for which our home markets should provide unlimited outlets. It will be convenient to divide this question under two heads:—

(A) Public Bodies;
(B) Private enterprise.

(A) Public Bodies.

These would comprise—

(1) The State;
(2) Public Authorities;
(3) The Crown.

(1) *The State.*

The Committee do not propose to enter at length into the question of State Afforestation further than to suggest that careful schemes based on sound principles should be prepared by experienced authorities after full discussion and investigation. The Committee would suggest that as a general principle the State should grow those varieties of timber which are necessary for the requirements of the country, but which, owing to the long rotation entailed, do not usually commend themselves to the private grower.

(2) *Public Authorities.*

As a rule proposals under this heading would be confined principally to the planting of catchment areas in connection with water schemes. The Committee are strongly of opinion that every encouragement should be offered to municipal and other authorities to prepare and carry out carefully considered schemes for the planting of these areas, as being advantageous (*a*) to ratepayers in view of the value of woodlands for conserving a water supply and preventing the silting up of reservoirs, and in the gradually accumulating capital represented by the growing trees: and (*b*) to the nation by providing a further source of employment to the population, and creating a reserve of timber against a time of need.

(3) *The Crown.*

The Office of Woods now appreciates the importance of dealing with the Crown woods scientifically, and the Committee venture to hope that in future the woods managed by the Commissioners may become models of

the methods best fitted to meet the particular needs of this country. In experiment, as in management, they should afford examples both to private landowners and to public authorities. Afforestation of suitable waste land should also be part of the fixed policy of the Department.

(B) Private Enterprise.

Under this heading may be comprised colleges, charity commissioners, and similar semi-public bodies owning land; private landowners; and consumers and manufacturers. With each class, however, the main points in determining whether planting shall or shall not be carried out will be—

(1) Confidence as to obtaining a good return;

(2) Security of capital invested;

(3) Fair treatment of woodlands with regard to rates and taxes;

(4) The possibility of protection from losses through insects, fungi, fire, &c.

Much could be done by the Government to insure that the questions raised on these four points should be answered in favour of planting; and in particular the Committee are of opinion that the greatest inducement which could be offered to private enterprise to embark upon this form of investment in a scientific and methodical manner would be the organisation of the home market in such a way as would insure a good demand and remunerative prices for the timber when ripe, and reasonable railway rates for its transit.

The recent concessions in the Finance Bill, 1916, indicate that the Government is now awakening to the

restrictive effect of taxation which does not take into consideration the special circumstances of the industry, but in connection with local rating as well as imperial taxation the fact that the return from woodlands is not in the nature of a regular annual return, except where very large areas are concerned, should not be overlooked.

At present forestry comes within the scope of the Board of Agriculture. The Committee recommend a properly equipped department, with a thoroughly practical staff conversant with the conditions prevailing in this country, to promote the interests of forestry, particularly in connection with the practical points mentioned above. Such a department should keep in close touch and should act in co-operation with the existing societies which have done much to promote an interest in the growth and management of timber. If this were done, a real encouragement would be given to landowners voluntarily to carry out forestry operations. But cases would occur where an owner would be prevented by financial reasons from planting or renovating depleted woods, and if he were prepared to manage the woods on commercial principles, it is suggested that arrangements should be made to enable the Government to advance money for the purpose, the woods to be subject to official supervision during the existence of the loan.

It is unnecessary, perhaps, to do more than mention the need for every possible encouragement being given for establishing and maintaining local woodland industries for the consumption of coppice and other timber. These industries have been practically lost in the past owing to foreign competition and lack of organisation on our part, and would need careful fostering until properly re-established.

The interest of the great consumers of timber, such as the colliery owners and wood pulp manufacturers, should be aroused in the revival of forestry, and they should be induced to give a preference to home-grown timber. The war has emphasised the importance of the home supply, and some, at any rate, of the largest consumers would be well advised to become growers in order to possess a safe reserve of timber for their commercial undertaking.

Suggestions for Emergency Schemes in Rural Districts in the event of Unemployment existing after the Termination of the War.

(1) *Housing Schemes.*

Up to the present the Report of the Committee has been directed to the means by which labour might be attracted to the land and the agricultural output thereby increased, rather than to the openings for labour which might be made on the land in the event of an acute period of unemployment occurring after the termination of the war.

The connection between the two problems is obviously close, as any measures which would have the effect of increasing the population engaged in the cultivation of the land must tend to prevent the existence of a supply of labour in excess of the needs of other industries. In this way an improvement in agricultural conditions would doubtless act as a preventive of unemployment, but more immediately effective schemes for providing work should be prepared without delay, to be put into operation at once in the event of the need arising.

The provision of housing accommodation for the

working classes has already been dealt with,* and county as well as urban authorities should be urged to prepare schemes where the circumstances warrant it, on the lines of the recommendations already made. The smaller rural authorities should be empowered to move through the county councils. It should not be forgotten that, however welcome the co-operation of individuals or other bodies may be, it is only through public bodies that the Government could satisfactorily organise beforehand definite schemes for the employment of labour; and, therefore, on them must be imposed not only the duty of making the necessary arrangements before the emergency arises, but, subject to financial assistance from the national purse being provided, the responsibility of seeing the matter through should the need unfortunately occur. In making the arrangements there is no reason why in rural districts, at any rate, the public bodies responsible should not co-operate with landowners as suggested in an earlier section of this Report, giving them the opportunity of carrying out the work; though in the event of their failing to exercise their option, the authorities should have everything prepared to enter upon the work themselves on it becoming necessary.

(2) *Reclamation Schemes.*

Besides housing there are in rural districts two other directions in which employment might be provided, and which, if followed, might eventually result in a considerable addition to the national wealth. Both the reclamation and the afforestation of land, from which at present little or no return is obtained, offer openings for the profitable use of capital, and, in the large proportion of

* Under the Urban Report published separately.

the cost which is payable in respect of labour, possess a qualification specially adapting them for use in connection with schemes to meet unemployment.

The agricultural depression which marked the latter part of last century put an end to the reclamation of land in this country, but with a return of agricultural prosperity and a better knowledge of the more scientific and economical methods of reclaiming the various classes of derelict land, there would seem no reason why a good or, at any rate, a fair return should not be obtained from capital suitably applied. Expenditure of this character would have the further advantage of adding to the total of the home-grown food supply, the national importance of which, from more than one point of view, has already been referred to at some length.

The methods of reclamation adopted in this country in the past, so far as any actual attempt was made to enable the soil to supply the chemical constituents necessary for the growth of crops, were very primitive, little really being done beyond drainage, clearing the land of bushes, scrub and rough grass, making embankments, and carrying out such other improvements in the mechanical condition of the soil as were needed before any crop at all could be grown. Experiments on the Continent and elsewhere would seem to show how greatly the value of these works may be supplemented by the addition of phosphates, potash, or other plant foods in which the soil is deficient, and how a considerable expenditure in this direction may speedily make a commercial success of an undertaking from which the return might otherwise have been unremunerative for a number of years.

Part V. of the Report of the Royal Commission on Coast Erosion (1909) (Cd. 5708) deals with the recla-

mation of tidal lands, and it cannot be said that the conclusions there arrived at are very favourable to any large effort in this direction. The Report states that "as regards agricultural reclamations it may be pointed "out that in most instances, especially in the case of "possible reclaimable areas in England, the evidence "tends to show that such reclamations would not be "profitable from a financial point of view." It goes on, however, to add: "Nevertheless, it would be unwise "to accept such evidence as final. . . . Thus, if land "should again rise in value approximately to that "which it possessed, say, in 1875, many schemes that "would now be set aside as commercially unpromising "might again show a good prospect of financial gain."

The main difficulty in connection with such lands is not as a rule their unsuitability for cultivation when reclaimed, for in many cases a high average standard of fertility could readily be attained, but the cost of the works necessary to protect them permanently from renewed tidal encroachments. In considering particular areas, therefore, engineers experienced in this kind of work should be consulted as well as men qualified to speak with regard to the agricultural capabilities of the land when reclaimed. And the Committee are of opinion that areas could be found in Great Britain which both these authorities would concur in looking upon as affording a good prospect of a satisfactory commercial return.

While, however, the potentialities with regard to special fertility may be greatest in connection with reclaimed tidal or warped lands, it is rather to carefully selected areas of heath, hill, and other land, now practically unproductive, that the Committee look as offering the best prospects on reclamation. As a rule the cost of bringing these into the mechanical state of cultivation

is small compared with that necessary in the case of tidal lands, and the experience recently gained upon the Continent in the reclamation of similar soils has shown how soon they can be made remunerative when the chemical constituents necessary for plant life, which analysis has shown to be lacking, have been supplied in an assimilable form.

The lighter lands of this class are of a somewhat hungry character, requiring a generous supply of manure, both artificial and organic, in order to maintain their fertility. But the ease and cheapness with which they are worked would provide an offset against this additional cost, and in some districts would make them specially suited for systems of cultivation where more than one crop is grown annually.

Wet and undrained hill lands present their own problems as to the best methods of proceeding, but the Committee are of opinion that many areas could be found which would repay the cost of reclamation, and might be either planted or used for larger or smaller holdings in conjunction with the sheep runs over the higher lands which are usually adjoining.

(3) *Afforestation Schemes.*

According to evidence before the Royal Commission, apart from the value of the land, from two-thirds to five-sixths of the initial cost of new plantations would be expended on labour. Afforestation would, therefore, possess what is perhaps the chief qualification to be looked for in an emergency scheme for the employment of labour, but that it would also have other advantages has already been shown under the heading Organisation of Forestry.

The Committee, therefore, strongly recommend that

the Government should without delay prepare schemes for the employment of surplus labour on planting; and in view of what they have said already as to the importance of clearing and replanting areas of inferior woodlands, they would suggest that the attempt to organise employment should in the first instance be made in that direction. They estimate that while some 50,000 men would be required to deal with, say, 200,000 acres of new ground per annum, the work of clearing rubbish and undergrowth, and the greater difficulties of planting owing to roots and other obstacles, would necessitate the employment of an additional 75 per cent. in the number of hands employed, if the labour were devoted to the improvement of old woodlands. As previously stated, however, emergency schemes dependent upon arrangements with private individuals present greater difficulties than those to be carried out by public bodies, and should it prove impracticable to prepare beforehand schemes for the improvement of existing woodlands covering a sufficient acreage, say 200,000 acres, the balance should be made up by the afforestation of lands unfitted for cultivation, but suitable for sylviculture.

Where arrangements are made that private owners should carry out these schemes on the emergency arising, the Committee favour an extension of the principle of defining commercial woodlands, and the grant of a right to owners to borrow money at reasonable rates without costs, subject to Government supervision whilst such loans are in existence.

Where public bodies are themselves to carry out emergency schemes, the Committee are of opinion that they might be permitted to acquire on lease land that has been cleared or is suitable for afforestation and

which the owner is unwilling or unable to plant, subject to a right by the owner to determine the lease within a definite period upon taking over the timber at a valuation.

Should these recommendations be approved, the necessary seedlings and plants should be prepared beforehand ready for use on planting taking place.

General.

In making these recommendations they are aware that unemployed labour has in the past been subjected to severe criticism, and doubtless it has deserved the strictures which have been directed towards it: but in arriving at their conclusions the Committee have been influenced by two considerations: (1) That unemployment after the war stands in a different category to that which is attributable to the ordinary causes, in that employment must if necessary be found by the nation for those who have been serving their country, and it will be best that this should be in a direction likely to be remunerative; and (2) that the labour of men who have been hardened by military life, and who have been accustomed to dig and repair trenches and to carry out other work of a similar character, is not likely to be open to the usual criticisms directed against unemployed labour, but may be expected to prove well fitted for the special work suggested.

Summary of Recommendations.

1. A minimum price for wheat of 50*s.* per quarter during the war and 40*s.* for not less than ten years after to be guaranteed by the Government (pages 10, 11).

2. A registration duty of 3*d.* per cwt. on Colonial wheat and 6*d.* per cwt. on that from other countries to be imposed, with a corresponding, but slightly higher, duty on imported flour (page 12).

3. The agricultural education of farmers and labourers to be improved, and further research work to be provided for (pages 14, 15).

4. Organisation for purposes of credit, for the sale and purchase of farm produce and requisites, and for the improvement of live stock, to be extended (pages 17, 18).

5. Improvements to be effected in railway and other transport services, and a fairer definition of preferential rates to be laid down (pages 19, 20).

6. The burden of local rates to be relieved by a greater proportion of the cost of national services being borne by the Exchequer (pages 20, 21).

7. Owners, agents, and the more enlightened farmers to combat any attempts to reduce labourers' wages to the pre-war level (page 31).

8. Owners of cottages to take opportunities as they arise of fixing rents at the lettable value (page 32).

9. The Board of Agriculture to institute inquiries in districts where a shortage of cottage accommodation is thought to exist, and provisions such as those contained in the Housing (No. 2) Act, 1914, to be put into force if found necessary. Landowners to be given the option of themselves building in the first instance (page 32).

10. Owners, who themselves decide to build on a shortage being found to exist, to be placed on an equality with local authorities and authorised societies with regard to capital advances, subject to certain conditions (page 32).

11. Where the shortage is due to existing accommodation being taken up by the employees of local authorities, statutory companies, &c., an obligation to be imposed upon those bodies to supply their own needs in the event of landowners not exercising their option to build (page 32).

12. Power of amending or modifying building by-laws, when necessary, to be given, and a tribunal for that purpose to be set up (page 33).

13. A properly equipped department to be set up to promote the interests of forestry, particularly in connection with the organisation of the home markets, railway transit, rating, and taxation (page 42).

14. Arrangements proposed for Government advances of capital to owners desirous of planting or renovating depleted woods on commercial principles (page 42).

15. Wood industries to be fostered, and consumers of timber urged to encourage the growth of home-grown timber by purchasing in the home market (pages 42, 43.)

16. Land reclamation schemes. proposed to meet possible after-war unemployment (page 44).

17. Afforestation schemes proposed to meet possible after-war unemployment (page 47).

(Signed) J. H. OAKLEY,
Chairman.

A. GODDARD, *Secretary.*

27th November, 1916.

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